

# THE TORONTO STOCK EXCHANGE

28/3/68  
11/4/68

(W)  
FILING STATEMENT NO. 1606.  
FILED, APRIL 25th, 1968.

MILL CITY PETROLEUMS LIMITED

Full corporate name of Company  
Incorporated under the Dominion Companies Act, by Letters Patent  
dated August 7, 1929.

Particulars of incorporation (e.g., Incorporated under Part IV of the Corporations Act, 1953  
(Ontario) by Letters Patent dated May 1st, 1957).

FILING STATEMENT Reference is made to previous  
Filing Statement No. 1561.

(To be filed with respect to any material change in a company's affairs, including among other things,  
an underwriting and option agreement, an issue of shares for property and a proposed re-organization.)

|  |  |
|--|--|
| 1. Brief statement of the material change in the affairs of the company in respect of which this statement is filed.   | Effective December 29, 1967, the company purchased from Dynamic Petroleum Products Ltd. a working interest in three (3) P. & N.G. leases comprising 640 acres in Township 110, Range 7, W6M, of the Province of Alberta (Rainbow area), and in three (3) producing Keg River reef oil wells located thereon, in consideration of the cash sum of \$400,000.  |
| 2. Head office address and any other office address.   | 210 - 736 - 8th Avenue S.W., Calgary, Alberta  |
| 3. Names, addresses and chief occupations for the past five years of present or proposed officers and directors.   | Roger D. Paugh, President and Director, Petroleum Accountant<br>24 Cardiff Place N.W., Calgary, Alberta<br>Frank Brown, Vice-President and Director, Executive<br>16 Massey Place S.W., Calgary, Alberta<br>R. Clive Brown, Secretary-Treasurer and Director,<br>Petroleum Engineer<br>24 Massey Place S.W., Calgary, Alberta<br>A. P. Newall, Jr., Director, Executive<br>6925 Livingstone Dr.S.W., Calgary, Alberta<br>A. P. Newall, Sr., Director, Stock Broker<br>702 Centre A. Street N.W., Calgary, Alberta  |
| 4. Share capitalization showing authorized and issued and outstanding capital.   | Authorized - 6,000,000 shares of no par value<br>Issued and outstanding - 5,695,334 shares   |
| 5. Particulars in respect of any bonds, debentures, notes, mortgages, charges, liens or hypothecations outstanding.  | Producing properties are hypothecated to the Royal Bank of Canada under Section 82 of the Bank Act for purposes of loan security.  |
| 6. Details of any treasury shares or other securities now the subject of any underwriting, sale or option agreement or of any proposed underwriting, sale or option agreement.   | None   |
| 7. Names and addresses of persons having any interest, direct or indirect in underwritten or optioned shares or other securities or assignments, present or proposed, and, if any assignment is contemplated, particulars thereof.   | None   |
| 8. Any payments in cash or securities of the company made or to be made to a promoter or finder in connection with a proposed underwriting or property acquisition.  | None   |
| 9. Brief statement of company's future development plans, including proposed expenditure of proceeds of sale of treasury shares, if any.   | The company will continue to acquire from time to time undeveloped acreage at Crown sales and otherwise and will continue to evaluate prospects to purchase proven P. & N.G. reserves. Specifically, the company will pay its proportionate share of the cost of drilling a fourth well on the properties referred to in Item No.1 of this filing statement together with its proportionate share of all necessary production equipment. Furthermore the company plans to co-operate with associated companies in continuing the search for base metals and coal deposits. |
| 10. Brief statement of company's chief development work during past year.  | Since the date of the company's last filing statement (No. 1561 - May 4, 1967) its chief development work has involved a nine (9) well drilling program in Southern Saskatchewan which has resulted in seven dry holes and two successful oil wells. The company participated in this program to the extent of 4/9ths of the cost.   |
| 11. Names and addresses of vendors of any property or other assets intended to be purchased by the company showing the consideration to be paid.   | None   |
| 12. Names and addresses of persons who have received or will receive a greater than 5% interest in the shares or other consideration to be received by the vendor. If the vendor is a limited company, the names and addresses of persons having a greater than 5% interest in the vendor company. | None   |
| 13. Number of shares held in escrow or in pool and a brief statement of the terms of escrow or the pooling agreement.  | None   |

MILL CITY PETROLEUMS LIMITED

SCHEDULE "A"

ATTACHED TO AND MADE A PART OF FILING STATEMENT DATED MARCH 21, 1968

INTERLOCKING COMPANIES AND INTERLOCKING DIRECTORATE

A. ASSOCIATED COMPANIES

1. DYNAMIC PETROLEUM PRODUCTS LTD.

AUTHORIZED CAPITAL - 10,000,000 shares of no par value

ISSUED: 7,571,632, of which

( 425,000 are owned by Mill City Petroleums Limited

44% ( 1,025,000 are owned by New Continental Oil Company of Canada Limited  
(\*1,880,124 are owned by Dynamic Voting Trust and Directors

TOTAL NUMBER OF SHAREHOLDERS: 5,380

DIRECTORS: Frank Brown Archibald Park Newall, Jr.  
Robert Clive Brown Roger D. Paugh

2. ROYAL CANADIAN VENTURES LTD.

AUTHORIZED CAPITAL - 5,000,000 shares of no par value

ISSUED: 4,400,723, of which

57% ( 1,700,000 are owned by Dynamic Petroleum Products Ltd.

( 792,000 are owned by Mill City Petroleums Limited

TOTAL NUMBER OF SHAREHOLDERS: 1,370

DIRECTORS: Archibald Park Newall, Jr. Robert Clive Brown  
Frank Brown

3. MILL CITY PETROLEUMS LIMITED

AUTHORIZED CAPITAL - 6,000,000 shares of no par value

ISSUED: 5,695,334, of which

( 1,068,854 shares are owned by Royal Canadian Ventures Ltd.

41% ( 1,193,939 shares are owned by Dynamic Petroleum Products Ltd.

( 75,000 shares are owned by Consolidated East Crest Oil Company Limited

TOTAL NUMBER OF SHAREHOLDERS: 4,548

DIRECTORS: Roger D. Paugh Archibald Park Newall, Jr.  
Frank Brown Archibald Park Newall, Sr.  
Robert Clive Brown

4. PERMO GAS & OIL LIMITED

AUTHORIZED CAPITAL - 20,000,000 shares of no par value

ISSUED: 13,127,276, of which

6,096,694 shares or 46% are owned by Mill City Petroleums Limited

TOTAL NUMBER OF SHAREHOLDERS: 3,800

DIRECTORS: Robert Clive Brown Archibald Park Newall, Jr.  
Frank Brown

B. SUBSIDIARY COMPANIES OF PERMO GAS & OIL LIMITED

1. NEW CONTINENTAL OIL COMPANY OF CANADA LIMITED

AUTHORIZED CAPITAL - 10,000,000 shares of no par value

ISSUED: 6,040,000, of which

3,452,433 shares or 57% are owned by Permo Gas & Oil Limited

TOTAL NUMBER OF SHAREHOLDERS: 2,577

DIRECTORS: Robert Clive Brown Archibald Park Newall, Jr.  
Frank Brown

2. CONSOLIDATED EAST CREST OIL COMPANY LIMITED

AUTHORIZED CAPITAL - 5,000,000 shares of no par value

ISSUED: 1,599,174, of which

1,271,338 shares or 79% are owned by Permo Gas & Oil Limited

TOTAL NUMBER OF SHAREHOLDERS: 1,468

DIRECTORS: Robert Clive Brown Archibald Park Newall, Jr.  
Frank Brown

\*Principal members of the Dynamic Voting Trust who are also Directors of the Company, and their respective holdings of shares of Dynamic as of February 29, 1968, are as follows:

|                            |                |
|----------------------------|----------------|
| Frank Brown                | 529,597 shares |
| Robert Clive Brown         | 477,072 shares |
| Archibald Park Newall, Jr. | 475,422 shares |

(This chart effective as of February 29, 1968)

# FINANCIAL STATEMENTS

MILL CITY PETROLEUMS LIMITED

## BALANCE SHEET

AS AT DECEMBER 31, 1967

### ASSETS

#### CURRENT

|   |                   |
|---|-------------------|
| Cash  | \$ 5,348.20       |
| Accounts receivable   | 93,055.18         |
| Government of Canada bonds - at cost<br>(market value \$16,331) | <u>21,773.75</u>  |
|   | <u>120,177.13</u> |

#### OTHER

|                                    |                  |
|------------------------------------|------------------|
| Operating and performance deposits | 58,017.79        |
| Special Refundable Tax             | 1,822.41         |
| Agreement for Sale                 | <u>3,734.63</u>  |
|                                    | <u>63,574.83</u> |

#### INVESTMENTS

|  |                     |
|--|---------------------|
| Shares of and advances (\$2,673) to subsidiary companies at cost | 2,682.29            |
| Shares of other companies at cost                                |                     |
| Dynamic Petroleum Products Ltd.<br>(market value \$663,000)      | 115,000.00          |
| Royal Canadian Ventures Ltd.<br>(market value \$277,200)         | 261,760.00          |
| Permo Gas & Oil Limited<br>(market value \$1,463,207)            | 2,255,776.78        |
| Dynalta Oil & Gas Co. Ltd.<br>(market value \$6,250)             | <u>6,125.00</u>     |
|  | <u>2,641,344.07</u> |

#### PROPERTY, PLANT AND EQUIPMENT - AT COST

|   |                       |
|---|-----------------------|
| Producing properties                        | 1,099,347.17          |
| Non-producing properties                    | 301,866.07            |
| Well development costs                      | 1,296,512.48          |
| Production equipment                        | 500,442.64            |
| Other equipment                             | <u>208,315.52</u>     |
|   | <u>3,406,483.88</u>   |
| Less accumulated depletion and depreciation | <u>1,749,859.79</u>   |
|   | <u>1,656,624.09</u>   |
|   | <u>\$4,481,720.12</u> |

#### LIABILITIES

#### CURRENT

|  |                   |
|--|-------------------|
| Bank loan - secured                      | 425,100.00        |
| Accounts payable and accrued liabilities | <u>143,706.02</u> |
|  | <u>568,806.02</u> |

#### SHAREHOLDERS' EQUITY

#### CAPITAL

|   |                     |
|---|---------------------|
| Authorized                                    |                     |
| 6,000,000 shares without nominal or par value |                     |
| Issued  |                     |
| 5,695,334 shares                              | 2,072,865.87        |
| Retained Earnings                             | <u>1,840,048.23</u> |
|   | <u>3,912,914.10</u> |

Approved on Behalf of the Board

Al Brown Director  
John P. French Director

\$4,481,720.12

## MILL CITY PETROLEUMS LIMITED

## STATEMENT OF INCOME AND RETAINED EARNINGS

For the year ended December 31, 1967

## REVENUE

|   |                   |
|---|-------------------|
| Crude oil and natural gas sales, less royalties | \$ 423,204.13     |
| Less production and processing costs            | <u>132,315.37</u> |
|   | <u>290,888.76</u> |

|           |                   |
|-----------|-------------------|
| Royalties | 1,410.04          |
| Interest  | 5,898.64          |
| Other     | <u>677.75</u>     |
|           | <u>298,875.19</u> |

## EXPENSE

|  |                   |
|--|-------------------|
| Administrative and general             | 152,538.19        |
| Exploratory costs, lease rentals, etc. | 108,491.01        |
| Interest                               | <u>5,848.78</u>   |
|  | <u>266,877.98</u> |

## CASH EARNINGS FROM OPERATIONS

|  |                   |
|--|-------------------|
| Deduct   |                   |
| Depletion                                      | 101,963.30        |
| Depreciation                                   | 66,403.37         |
| Abandonments                                   |                   |
| Petroleum and natural gas and mining interests | 8,437.34          |
| Well development costs (dry holes)             | <u>109,419.29</u> |
|  | <u>286,223.30</u> |

|                               |                   |
|-------------------------------|-------------------|
| Net loss before the following | <u>254,226.09</u> |
|-------------------------------|-------------------|

|                            |                   |
|----------------------------|-------------------|
| Other charges and credits  |                   |
| Gain on sale of properties | 462,924.38        |
| Loss on sale of securities | <u>(2,481.25)</u> |
|                            | <u>460,443.13</u> |

|            |            |
|------------|------------|
| Net income | 206,217.04 |
|------------|------------|

|                                      |                     |
|--------------------------------------|---------------------|
| Retained earnings, beginning of year | <u>1,633,831.19</u> |
|--------------------------------------|---------------------|

|                                |                       |
|--------------------------------|-----------------------|
| Retained earnings, end of year | <u>\$1,840,048.23</u> |
|--------------------------------|-----------------------|

## MILL CITY PETROLEUMS LIMITED

## SOURCE AND APPLICATION OF FUNDS

For the year ended December 31, 1967

## SOURCE OF FUNDS

|   |                   |
|---|-------------------|
| Cash earnings from operations                                   | \$ 31,997.21      |
| Deduct loss on sale of Government of Canada bonds               | 2,481.25          |
| Net funds from operations                                       | <u>29,515.96</u>  |
| Proceeds from shares issued pursuant<br>to stock option granted | 16,200.00         |
| Proceeds from sale of properties                                | 491,988.31        |
| Other   | <u>460.29</u>     |
|   | <u>538,164.56</u> |

## APPLICATION OF FUNDS

|  |                     |
|--|---------------------|
| Purchase of shares of Royal Canadian Ventures Ltd.     | 101,760.00          |
| Investments in and advances to<br>subsidiary companies | 1,681.99            |
| Special Refundable Tax                                 | 448.81              |
| Increase in operating and performance deposits         | 18,886.79           |
| Petroleum and natural gas and mining interests         | 390,839.72          |
| Well development costs including dry holes             | 117,309.95          |
| Production equipment - net                             | 51,712.53           |
| Other equipment - net                                  | <u>13,491.75</u>    |
|  | <u>696,131.54</u>   |
| Decrease in working capital                            | 157,966.98          |
| Working capital deficiency, beginning of year          | <u>290,661.91</u>   |
| Working capital deficiency, end of year                | <u>\$448,628.89</u> |

There has been no material change in the financial position of the company between the date of this financial statement and the date of this filing statement, other than operations in the normal course of business.

Approved on Behalf of the Board

R. Brown Director  
Arthur P. Genua Director

| 14. Names and addresses of owners of more than a 5% interest in escrowed shares and their shareholdings (If shares are registered in the names of nominees or in street names, give names of beneficial owners, if possible.)  | None  |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
|--|---|-----------------------|---------------|--|--|---|--------------|--|---------|---|---|---|-------------|---|------------|------------|--|------------|------------|---|--------------|--------------|--|-----------------------|-----------------------|--|--|--|-------------|--|--|--|---------|--|---|------|---------|----------|--|--|---|----------------------|----------|--|--|-------------------|
| 15. Names, addresses and shareholdings of five largest registered shareholders and if shareholdings are pooled or escrowed, so stating. If shares are registered in names of nominees or in street names, give names of beneficial owners, if possible, and if names are not those of beneficial owners, so state. | <table> <thead> <tr> <th style="text-align: left;"></th> <th style="text-align: right;">Shareholdings</th> </tr> </thead> <tbody> <tr> <td>1. Dynamic Petroleum Products Ltd.<br/>Calgary, Alberta</td> <td style="text-align: right;">1,193,939</td> </tr> <tr> <td>2. Royal Canadian Ventures Ltd.<br/>Calgary, Alberta</td> <td style="text-align: right;">1,068,854</td> </tr> <tr> <td>3. Richardson Securities of Canada<br/>Winnipeg, Manitoba</td> <td style="text-align: right;">372,891</td> </tr> <tr> <td>4. Bongard, Leslie &amp; Co. Ltd.<br/>Toronto, Ontario</td> <td style="text-align: right;">98,850</td> </tr> <tr> <td>5. A. E. Ames &amp; Co.<br/>Toronto, Ontario</td> <td style="text-align: right;">91,278</td> </tr> </tbody> </table> <p>Beneficial owners for items #3, 4 and 5 unknown.<br/>No pooling or escrow.</p>  |                       | Shareholdings | 1. Dynamic Petroleum Products Ltd.<br>Calgary, Alberta | 1,193,939  | 2. Royal Canadian Ventures Ltd.<br>Calgary, Alberta | 1,068,854    | 3. Richardson Securities of Canada<br>Winnipeg, Manitoba | 372,891 | 4. Bongard, Leslie & Co. Ltd.<br>Toronto, Ontario | 98,850                                      | 5. A. E. Ames & Co.<br>Toronto, Ontario | 91,278      |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
|  | Shareholdings   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| 1. Dynamic Petroleum Products Ltd.<br>Calgary, Alberta   | 1,193,939   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| 2. Royal Canadian Ventures Ltd.<br>Calgary, Alberta  | 1,068,854   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| 3. Richardson Securities of Canada<br>Winnipeg, Manitoba   | 372,891   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| 4. Bongard, Leslie & Co. Ltd.<br>Toronto, Ontario  | 98,850  |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| 5. A. E. Ames & Co.<br>Toronto, Ontario  | 91,278  |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| 16. Names, and addresses of persons whose shareholdings are large enough to materially affect control of the company.  | <table> <thead> <tr> <th style="text-align: left;"></th> <th style="text-align: right;">Shareholdings</th> </tr> </thead> <tbody> <tr> <td>Dynamic Petroleum Products Ltd.</td> <td style="text-align: right;">1,193,939</td> </tr> <tr> <td>Royal Canadian Ventures Ltd.</td> <td style="text-align: right;">1,068,854</td> </tr> <tr> <td>Consolidated East Crest Oil Company Limited</td> <td style="text-align: right;">75,000</td> </tr> </tbody> </table> <p>The above shareholdings represent 41% of the total shares of the company issued and outstanding.</p> <p>Reference should be made to Schedule "A" attached to and made a part of this filing statement for particulars of interlocking companies and interlocking directors.<br/>See Schedule "A" on page 2.</p>  |                       | Shareholdings | Dynamic Petroleum Products Ltd.                        | 1,193,939  | Royal Canadian Ventures Ltd.                        | 1,068,854    | Consolidated East Crest Oil Company Limited              | 75,000  |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
|  | Shareholdings   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Dynamic Petroleum Products Ltd.  | 1,193,939   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Royal Canadian Ventures Ltd.   | 1,068,854   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Consolidated East Crest Oil Company Limited  | 75,000  |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| 17. If assets include investments in the shares or other securities of other companies, give an itemized statement thereof showing cost or book value and present market value.  | <table> <thead> <tr> <th style="text-align: left;">Marketable Securities</th> <th style="text-align: center;">Cost</th> <th style="text-align: center;">Market</th> </tr> </thead> <tbody> <tr> <td>Government of Canada<br/>3% perpetual bonds<br/>(par value \$33,500)</td> <td style="text-align: center;">\$ 21,773.75</td> <td style="text-align: center;">\$ 16,331.00</td> </tr> <tr> <th style="text-align: left;">Shares of other companies</th> <th style="text-align: center;">Cost</th> <th style="text-align: center;">Market</th> </tr> <tr> <td>Dynalta Oil &amp; Gas Co. Ltd.<br/>25,000 shares</td> <td style="text-align: center;">\$ 6,125.00</td> <td style="text-align: center;">\$ 6,250.00</td> </tr> <tr> <td>Dynamic Petroleum Products Ltd.<br/>425,000 shares</td> <td style="text-align: center;">115,000.00</td> <td style="text-align: center;">637,500.00</td> </tr> <tr> <td>Royal Canadian Ventures Ltd.<br/>792,000 shares</td> <td style="text-align: center;">261,760.00</td> <td style="text-align: center;">293,040.00</td> </tr> <tr> <td>Permo Gas &amp; Oil Limited<br/>6,096,694 shares</td> <td style="text-align: center;">2,255,776.78</td> <td style="text-align: center;">1,310,789.00</td> </tr> <tr> <td></td> <td style="text-align: center;"><u>\$2,638,661.78</u></td> <td style="text-align: center;"><u>\$2,247,579.00</u></td> </tr> <tr> <th style="text-align: left;">Shares of and advances to subsidiaries</th> <th></th> <th></th> </tr> <tr> <th style="text-align: left;">Shares of -</th> <th></th> <th></th> </tr> <tr> <td>IMC Petroleum Pty. Limited<br/>3 shares at cost</td> <td style="text-align: center;">\$ 3.60</td> <td></td> </tr> <tr> <td>Mill City Petroleum (U.K.) Ltd.<br/>2 shares at cost</td> <td style="text-align: center;">6.04</td> <td style="text-align: center;">\$ 9.64</td> </tr> <tr> <th style="text-align: left;">Advances</th> <th></th> <th></th> </tr> <tr> <td>IMC Petroleum Pty. Limited<br/>Mill City Petroleum (U.K.) Ltd.</td> <td style="text-align: center;">1,614.19<br/>1,058.46</td> <td style="text-align: center;">2,672.65</td> </tr> <tr> <td></td> <td></td> <td style="text-align: center;"><u>\$2,682.29</u></td> </tr> </tbody> </table> <p>The shares of Dynamic Petroleum Products Ltd. above mentioned will only be sold or distributed upon compliance with the provisions of the Ontario Securities Act, 1966, and the requirements of the Toronto Stock Exchange.</p> | Marketable Securities | Cost          | Market   | Government of Canada<br>3% perpetual bonds<br>(par value \$33,500) | \$ 21,773.75  | \$ 16,331.00 | Shares of other companies                                | Cost    | Market  | Dynalta Oil & Gas Co. Ltd.<br>25,000 shares | \$ 6,125.00                             | \$ 6,250.00 | Dynamic Petroleum Products Ltd.<br>425,000 shares | 115,000.00 | 637,500.00 | Royal Canadian Ventures Ltd.<br>792,000 shares | 261,760.00 | 293,040.00 | Permo Gas & Oil Limited<br>6,096,694 shares | 2,255,776.78 | 1,310,789.00 |  | <u>\$2,638,661.78</u> | <u>\$2,247,579.00</u> | Shares of and advances to subsidiaries |  |  | Shares of - |  |  | IMC Petroleum Pty. Limited<br>3 shares at cost | \$ 3.60 |  | Mill City Petroleum (U.K.) Ltd.<br>2 shares at cost | 6.04 | \$ 9.64 | Advances |  |  | IMC Petroleum Pty. Limited<br>Mill City Petroleum (U.K.) Ltd. | 1,614.19<br>1,058.46 | 2,672.65 |  |  | <u>\$2,682.29</u> |
| Marketable Securities  | Cost  | Market                |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Government of Canada<br>3% perpetual bonds<br>(par value \$33,500)   | \$ 21,773.75  | \$ 16,331.00          |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Shares of other companies  | Cost  | Market                |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Dynalta Oil & Gas Co. Ltd.<br>25,000 shares  | \$ 6,125.00   | \$ 6,250.00           |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Dynamic Petroleum Products Ltd.<br>425,000 shares  | 115,000.00  | 637,500.00            |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Royal Canadian Ventures Ltd.<br>792,000 shares   | 261,760.00  | 293,040.00            |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Permo Gas & Oil Limited<br>6,096,694 shares  | 2,255,776.78  | 1,310,789.00          |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
|  | <u>\$2,638,661.78</u>   | <u>\$2,247,579.00</u> |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Shares of and advances to subsidiaries   |   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Shares of -  |   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| IMC Petroleum Pty. Limited<br>3 shares at cost   | \$ 3.60   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Mill City Petroleum (U.K.) Ltd.<br>2 shares at cost  | 6.04  | \$ 9.64               |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| Advances   |   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| IMC Petroleum Pty. Limited<br>Mill City Petroleum (U.K.) Ltd.  | 1,614.19<br>1,058.46  | 2,672.65              |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
|  |   | <u>\$2,682.29</u>     |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| 18. Brief statement of any lawsuits pending or in process against company or its properties.   | None  |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| 19. The dates of and parties to and the general nature of every material contract entered into by the company which is still in effect and is not disclosed in the foregoing.  | No change since last published filing statement other than as disclosed in this filing statement.   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |
| 20. Statement of any other material facts and if none, so state. Also state whether any shares of the company are in the course of primary distribution to the public.   | <p>None.</p> <p>No shares of the company are in the course of primary distribution to the public.</p>   |                       |               |  |  |   |              |  |         |   |   |   |             |   |            |            |  |            |            |   |              |              |  |                       |                       |  |  |  |             |  |  |  |         |  |   |      |         |          |  |  |   |                      |          |  |  |                   |

DATED March 21, 1968

**CERTIFICATE OF THE COMPANY**

The foregoing, together with the financial information and other reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above and in respect of the company's affairs and there is no further material information applicable. (To be signed by two principal signing officers who are directors and the corporate seal to be affixed.)

MILL CITY PETROLEUMS LIMITED

A. P. Newall, Jr. *A. P. Newall* DIRECTOR

CORPORATE SEAL

R. C. Brown *R. C. Brown* Director

**CERTIFICATE OF UNDERWRITER OR OPTIONEE**

To the best of my knowledge, information and belief, the foregoing, together with the financial information and the reports where required, constitutes full, true and plain disclosure of all material facts in respect of the matters referred to in Item 1 above in respect of the company's affairs. Concerning matters which are not within my knowledge, I have relied upon the accuracy and adequacy of the information supplied to me by the company. (To be signed by underwriter or optionee registered with the Ontario Securities Commission or a corresponding body.)